



OFFICE OF EXTERNAL AFFAIRS  
CONGRESSIONAL AFFAIRS DIVISION

# FEMA

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## ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS

The Individuals and Households Program (IHP) provides financial help or direct services to those who have necessary expenses and serious needs if they are unable to meet the needs through other means. Up to \$33,300 is available in financial help (adjusted each year), although some forms of IHP assistance have limits. Flood insurance may be required as indicated below. These forms of help are available: Housing Assistance (including Temporary Housing, Repair, Replacement, and Semi-Permanent or Permanent Housing Construction) and Other Needs Assistance (including personal property and other items).

### Housing Assistance

**Temporary Housing:** Money to rent a different place to live or a temporary housing unit (when rental properties are not available).

**Repair:** Money for homeowners to repair damage from the disaster that is not covered by insurance. The goal is to repair the home to a safe and sanitary living or functioning condition. FEMA may provide up to \$33,000 for home repair; then the homeowner may apply for a Small Business Administration disaster loan for additional repair assistance. FEMA will not pay to return a home to its condition before the disaster. Flood insurance may be required if the home is in a Special Flood Hazard Area. Repair and replacement items include:

- Structural parts of a home (foundation, outside walls, roof)
- Windows, doors, floors, walls, ceilings, cabinetry
- Septic or sewage system
- Well or other water system
- Heating, ventilating, and air conditioning system
- Utilities (electrical, plumbing, and gas systems)
- Entrance and exit ways from the home, including privately owned access roads
- Blocking, leveling and anchoring of a mobile home and reconnecting or resetting its sewer, water, electrical and fuel lines and tanks

**Replacement:** Money to replace a disaster-damaged home, under rare conditions, if this can be done with limited funds. FEMA may provide up to \$33,300 for home replacement. If the home is located in a Special Flood Hazard Area, the homeowner must comply with flood insurance purchase requirements and local flood codes and requirements.

**Semi-Permanent or Permanent Housing Construction:** Direct assistance or money for the construction of a home. This type of assistance occurs only in very unusual situations, in locations specified by FEMA, where no other type of housing assistance is possible.

Construction shall follow current minimal local building codes and standards where they exist, or minimal acceptable construction industry standards in the area. Construction will aim toward average quality, size, and capacity, taking into consideration the needs of the occupant. If the home is located in a Special Flood Hazard Area, the homeowner must comply with flood insurance purchase requirements and local flood codes and requirements.

### **Other Needs Assistance**

Other Needs Assistance provision of the Individuals and Households Program provides grants for uninsured, disaster-related necessary expenses and serious needs. Flood insurance may be required on insurable items (personal property) if they are to be located in a Special Flood Hazard Area. Assistance includes:

- Medical and dental expenses
- Funeral and burial costs
- Repair, cleaning, or replacement of:
  - Clothing
  - Household items (room furnishings, appliances)
  - Specialized tools or protective clothing and equipment required for your job
  - Necessary educational materials (computers, school books, supplies)
- Clean-up items (wet/dry vacuum, air purifier, dehumidifier)
- Fuel (fuel, chain saw, firewood)
- Repairing or replacing vehicles damaged by the disaster, or providing for public transportation or other transportation costs
- Moving and storage expenses related to the disaster (including evacuation, storage, or the return of property to a home)
- Other necessary expenses or serious needs (for example, towing, or setup or connecting essential utilities for a housing unit not provided by FEMA)
- The cost of a National Flood Insurance Program group flood insurance policy to meet the flood insurance requirements

### **Conditions and Limitations of IHP Assistance**

- **Non-discrimination:** All forms of FEMA disaster housing assistance are available to any affected household that meets the conditions of eligibility. No Federal entity or official (or their agent) may discriminate against any individual on the basis of race, color, religion, sex, age, national origin, disability, or economic status.
- **Residency status in the United States and its territories:** To be considered for disaster housing assistance, you or a household member must provide proof of identity and sign a declaration stating that you/they are a United States citizen, a non-citizen national, or a qualified alien.
- **Supplemental Assistance:** Disaster housing assistance is not intended to substitute for private recovery efforts, but to complement those efforts when needed. FEMA expects minor housing damage or the need for short-term shelter to be addressed by homeowners or tenants. Furthermore, the Disaster Housing Program is not a loss indemnification program and does not ensure that applicants are returned to their pre-disaster living conditions.



- **Household Composition:** People living together in one residence before the disaster are expected to continue to live together after the disaster. Generally, assistance is provided to the pre-disaster household as a unit. If, however, the assistance provided to the household is not shared with you, or if the new residence is too small or causes you undue hardship, you may request assistance separate from your pre-disaster household.
- **Type of Assistance:** Generally, more than one type of IHP assistance may be provided to the household. Only FEMA has the authority to determine which type of assistance is most appropriate for the household and the period of assistance to be covered.
- **Proper Use of Assistance:** All financial assistance provided by FEMA should be used as specified in writing: to rent another place to live, to make the home repairs identified by FEMA, or to prevent eviction or foreclosure, or to replace or repair personal property. Failure to use the money as specified may make you ineligible for additional assistance. All money provided by FEMA is tax-free.
- **Documentation:** It is your responsibility to provide all documentation necessary for FEMA to evaluate your eligibility. You may need to provide proof of occupancy, ownership, income loss, and/or information concerning your housing situation prior to the disaster. You should keep all receipts and records for any housing expenses incurred as a result of the disaster. This includes receipts for repair supplies, labor, and rent payments.
- **Insurance:** If you have insurance, any assistance provided by FEMA should be considered an advance and must be repaid to FEMA when you receive your insurance settlement payment. If your settlement is less than FEMA's estimated cost to make your home habitable, you may qualify for funds to supplement your insurance settlement, but only for repairs relating to the home's habitability. FEMA does not provide replacement value amounts or assistance with non-essential items.
- **Duration of Assistance:** Repair and Replacement Assistance is provided as a one-time payment. Temporary Housing Assistance (or a mobile home/travel trailer) is provided for an initial period of 1, 2, or 3 months. To be considered for additional assistance, you must demonstrate that you have spent any previous assistance from FEMA as instructed, and you must demonstrate your efforts to re-establish permanent housing. Additional assistance is generally provided for 1, 2, or 3 months at a time. The maximum period for IHP assistance is 18 months, unless extended by the President.
- **Appeal Rights:** If you disagree with FEMA's determination of eligibility or the form of assistance provided, you have the right to appeal within 60 days of the date of your notification letter. Send appeal letters to: Appeals Officer, FEMA- Individuals & Households Program, National Processing Service Center, P.O. Box 10055, Hyattsville, MD 20782-7055. Telephone: 1-800-621-FEMA or TTY 1-800-462-7585.

## U.S. SMALL BUSINESS ADMINISTRATION FACT SHEET - DISASTER LOANS

### TEXAS Declaration #15274 & #15275

(Disaster: TX-00487)

Incident: HURRICANE HARVEY

occurring: August 23, 2017 & continuing

in the **Texas** counties of: **Aransas, Bee, Brazoria, Calhoun, Chambers, Colorado, Fayette, Fort Bend, Galveston, Goliad, Hardin, Harris, Jackson, Jasper, Jefferson, Kleberg, Liberty, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Jacinto, San Patricio, Tyler, Victoria, Walker, Waller & Wharton;**  
for economic injury only in the contiguous **Texas** counties of: **Angelina, Austin, Bastrop, Brooks, Caldwell, DeWitt, Gonzales, Grimes, Houston, Jim Wells, Karnes, Kenedy, Lavaca, Lee, Live Oak, Madison, San Augustine, Shelby, Trinity, & Washington;**  
and for economic injury only in the contiguous **Louisiana** parishes of: **Beauregard, Calcasieu, Cameron, Sabine & Vernon**

Physical Damage: October 24, 2017

Economic Injury: May 25, 2018

If you are located in a declared disaster area, you may be eligible for financial assistance from the U. S. Small Business Administration (SBA).

#### What Types of Disaster Loans are Available?

- Business Physical Disaster Loans – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Private, non-profit organizations such as charities, churches, private universities, etc., are also eligible.
- Economic Injury Disaster Loans (EIDL) – Working capital loans to help small businesses, small agricultural cooperatives, small businesses engaged in aquaculture, and most private, non-profit organizations of all sizes meet their ordinary and necessary financial obligations that cannot be met as a direct result of the disaster. These loans are intended to assist through the disaster recovery period.
- Home Disaster Loans – Loans to homeowners or renters to repair or replace disaster-damaged real estate and personal property, including automobiles.

#### What are the Credit Requirements?

- Credit History – Applicants must have a credit history acceptable to SBA.
- Repayment – Applicants must show the ability to repay all loans.
- Collateral – Collateral is required for physical loss loans over \$25,000 and all EIDL loans over \$25,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

#### What are the Interest Rates?

By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan. The interest rates applicable for this disaster are:

	No Credit Available Elsewhere	Credit Available Elsewhere
Business Loans	3.305%	6.610%
Non-Profit Organization Loans	2.500%	2.500%
Economic Injury Loans		
Businesses and Small Agricultural Cooperatives	3.305%	N/A
Non-Profit Organizations	2.500%	N/A
Home Loans	1.750%	3.500%

#### What are Loan Terms?

The law authorizes loan terms up to a maximum of 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 7-year term. SBA sets the installment payment amount and corresponding maturity based upon each borrower's ability to repay.



### **What are the Loan Amount Limits?**

- **Business Loans** – The law limits business loans to \$2,000,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- **Economic Injury Disaster Loans (EIDL)** – The law limits EIDLs to \$2,000,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. EIDL assistance is available only to entities and their owners who cannot provide for their own recovery from non-government sources, as determined by the U.S. Small Business Administration.
- **Business Loan Ceiling** – The \$2,000,000 statutory limit for business loans applies to the combination of physical, economic injury, mitigation and refinancing, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit.
- **Home Loans** – SBA regulations limit home loans to \$200,000 for the repair or replacement of real estate and \$40,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.

### **What Restrictions are there on Loan Eligibility?**

- **Uninsured Losses** – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- **Ineligible Property** – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- **Noncompliance** – Applicants who have not complied with the terms of previous SBA loans may not be eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA loans.

**Note:** Loan applicants should check with agencies / organizations administering any grant or other assistance program under this declaration to determine how an approval of SBA disaster loan might affect their eligibility.

### **Is There Help with Funding Mitigation Improvements?**

If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan, but may not exceed 20 percent of total amount of physical damage to real property, including leasehold improvements, and personal property as verified by SBA to a maximum of \$200,000 for home loans. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

### **Is There Help Available for Refinancing?**

- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property or 50% or more of the value of the structure), and (3) intends to repair the damage.
- **Businesses** – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.
- **Homes** – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, up to the amount of the loan for real estate repair or replacement.

### **What if I Decide to Relocate?**

You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

### **Are There Insurance Requirements for Loans?**

To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance. SBA requires that flood insurance coverage be the lesser of 1) the total of the disaster loan, 2) the insurable value of the property, or 3) the maximum insurance available.

For more information, contact SBA's Disaster Assistance Customer Service Center by calling (800) 659-2955, emailing [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov), or visiting SBA's Web site at <https://www.sba.gov/disaster>. Deaf and hard-of-hearing individuals may call (800) 877-8339. Applicants may also apply online using the Electronic Loan Application (ELA) via SBA's secure Web site at <https://disasterloan.sba.gov/ela>.